House Unit Votes to Aid **SovietAutomobilePlant**

By J. Y. Smith Washington Post Staff Writer

dorsed a plan yesterday in from U.S. licensees and sub-pense of applying those rewhich the United States would sidiaries in Europe. According sources to military purposes supply at least \$50 million to some estimates, this could is in our national interest." worth of machine tools for an amount to another \$50 million. The reference to a loan conautomobile plant to be built! in the Soviet Union.

automobile plant which by it passed last year. self could triple Russian pas-1.1 million vehicles.

sum, about \$350 million will State Dean Rusk last fall: crease in Soviet automobile be spent to buy machinery in "It is the judgment of the production, the Fiat deal and the West.

lion on direct purchases of a loan that would induce the average Russian.

A House subcommittee en- is to be spent on purchases consumer goods at the ex-

The plan is part of the tional Trade of the House the United States would be largest East-West trade deal Banking and Currency Compaid for. ever undertaken and involves mittee under the chairmanever undertaken and involves initial Soviet investments of ship of Rep. Thomas L. Ashley the Export-Import Bank would say billion.

Under it, the Flat motor studied the deal under the Italian financial institution. company of Italy will build an terms of a House resolution Fiat would use the credits to

senger car production to more ful to point out in its report to the Soviet Union. than 700,000 units a year by that establishment of the plant 1975. Total output from all So- and the use of U.S. equip- this plan in his speech last Oct. viet plants by 1975 could reach ment in it—would not increase 7 in which he enunciated his The plant itself is expected potential. It quoted the follow- the East. to cost \$800 million. Of this ing statement by Secretary of

Defense Department, shared other plans to expand produc-The Fiat company currently by Gen. (Earle G.) Wheeler of tion will fall far short of putplans to spend about \$50 mil-the Joint Chiefs of Staff, that ting a car within reach of the

machine tools in the United Soviet Union to devote greater States. An undetermined sum resources to the production of

The plan was endorsed by cerns the mechanism by the Subcommittee on Interna- which the direct purchases in

Under current proposals, buy the equipment. Thus The subcommittee was care-there would be no direct sales

President Johnson endorsed the Soviet Union's defense policy of "building bridges" to

Despite the contemplated in-